

Message Text

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ACTION TRSE-00

INFO OCT-01 EUR-12 ISO-00 EB-08 XMB-02 COME-00 H-01
AID-05 CIAE-00 FRB-03 INR-10 NSAE-00 USIA-06
OPIC-03 SP-02 LAB-04 SIL-01 OMB-01 /059 W
-----055912 311936Z /47

R 310800Z MAR 78
FM AMEMBASSY OSLO
TO SECSTATE WASHDC 5519
INFO AMEMBASSY BRUSSELS
AMEMBASSY PARIS

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BRUSSELS ALSO FOR USEC

PARIS ALSO FOR USOECD

E.O. 11652: N/A
TAGS: ETRD, EGEN, NO
SUBJECT: MIXED CREDITS

REF: STATE 75697

1. NORWEGIAN GOVERNMENT POLICY FAVORS UNTIED AID AND IN PRINCIPLE
PRECLUDES USE OF MIXED CREDITS IN AID PROGRAMS.

2. NORWEGIAN GOVERNMENT PRACTICE, HOWEVER, PARTED FROM PRINCIPLE
RECENTLY IN TWO SUBSTANTIAL (AND A FEW FAIRLY MINOR) CASES.
A 1976 AGREEMENT WITH INDONESIA PROVIDED FOR A NKR 500 MILLION
(\$100 MILLION) TIED COMMERCIAL CREDIT PLUS NKR 70 MILLION
(\$14 MILLION) GRANT AND A 1977 AGREEMENT
WITH SRI LANKA (SUBSEQUENTLY CANCELLED BY SRI LANKA) PROVIDED
ABOUT NKR 60 MILLION (\$11 MILLION) IN TIED CREDITS AND GRANTS.

3. IN ADDITION, THE GON MAKES FAIRLY SUBSTANTIAL USE OF ONE
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FORM OF TIED AID NOT QUALIFYING AS ODA. THIS IS SUBSIDIES AND
GRANTS TO NORWEGIAN INDUSTRY, PRIMARILY IN SHIPBUILDING, TO
PERMIT NORWEGIAN FIRMS TO COMPETE SUCCESSFULLY FOR FOREIGN
CONTRACTS--OFTEN IN LESS DEVELOPED COUNTRIES. THESE SUPPORTS/
SUBSIDIES ARE AN ESTABLISHED AND TO SOME EXTENT WILL BE A CONTIN-
UING ASPECT OF GON INDUSTRIAL POLICY. THEY ARE CHARACTERIZED AS
QUOTE OTHER INVESTMENT FLOWS UNQUOTE AND ARE NOT CONSIDERED A

PART OF THE GON'S AID PROGRAM.

4. MFA FIGURES IN RESPONSE REFTEL, PARA 3B, AS FOLLOWS:

	1976	1977
MIXED CREDITS	\$114 MILLION	\$11 MILLION (SUBSE- QUENTLY CANCELLED)
SUBSIDIES/CREDITS TO SHIPBUILDING	\$93.2 MILLION	\$75.3 MILLION

5. COUNTRIES RECEIVING BENEFIT OF GON MIXED CREDIT/OTHER FINANC-
ING IN 1976 AND 1977 WERE INDONESIA, ISRAEL, MEXICO, SOUTH KOREA
AND THE IVORY COAST. (FIGURES ARE NOT AVAILABLE BY COUNTRY.)
AN ARRANGEMENT WITH THE PHILIPPINES HAS NOT BEEN IMPLEMENTED.
BREMER

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, FOREIGN ASSISTANCE
Control Number: n/a
Copy: SINGLE
Draft Date: 31 mar 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Drafter: n/a
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Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780140-0764
Format: TEL
From: OSLO
Handling Restrictions: n/a
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ISecure: 1
Legacy Key: link1978/newtext/t1978033/aaaaacjo.tel
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Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: a60638be-c288-dd11-92da-001cc4696bcc
Office: ACTION TRSE
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Handling Restrictions: n/a
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Review Release Event: n/a
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SAS ID: 3218019
Secure: OPEN
Status: NATIVE
Subject: MIXED CREDITS
TAGS: ETRD, EGEN, EAID, NO
To: STATE
Type: TE
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Review Markings:
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